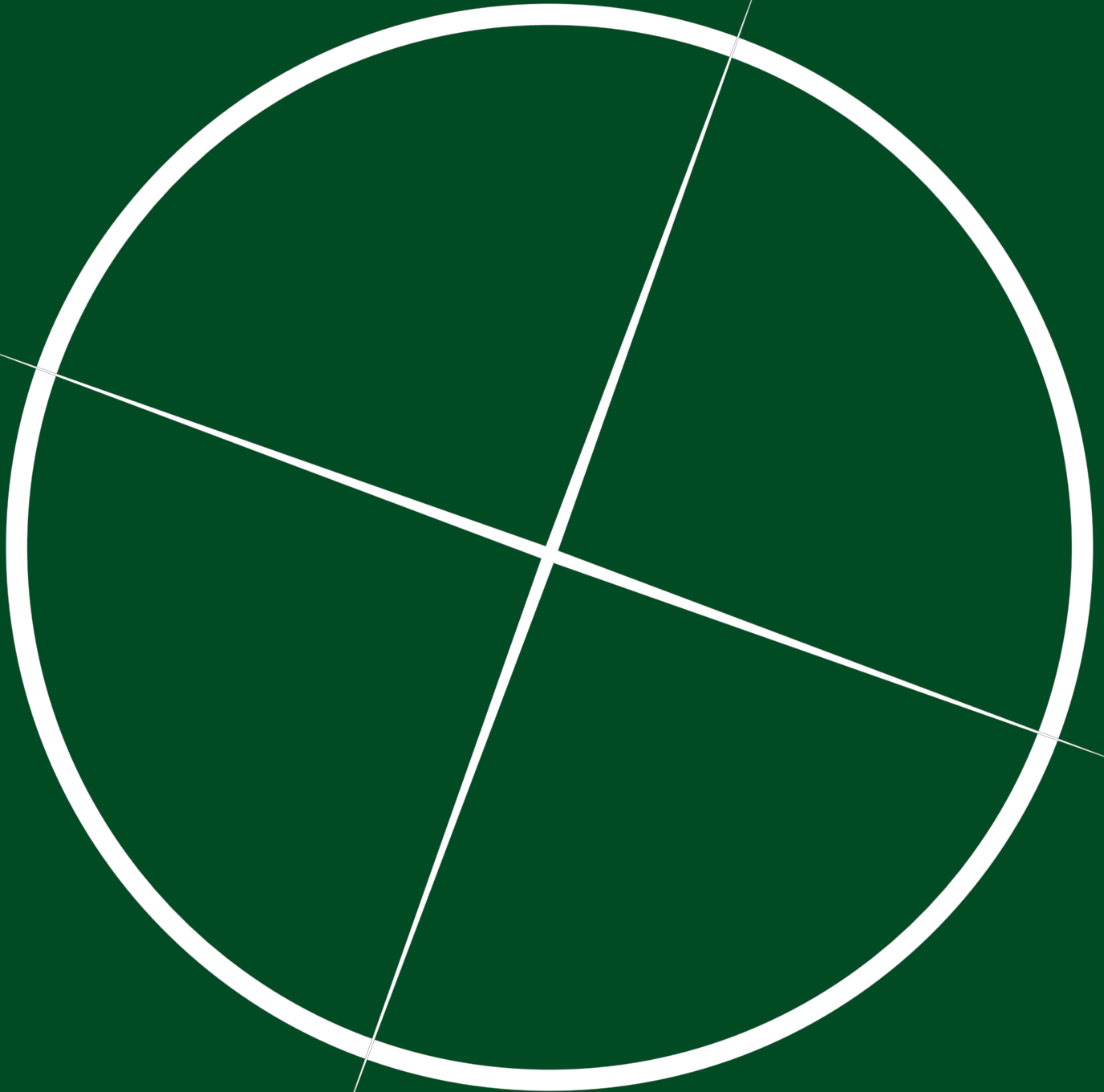


Product Governance & Fair Value Assessment Outcome  
Disclosure to Distributors  
Individual Personal Accident Insurance



 **ORTUS**

**UNDERWRITING**

# Ortus Underwriting Individual Personal Accident Product Governance & Fair Value Assessment Outcome

## Manufacturer Obligations

In order for Ortus Underwriting to comply with its obligations as a Co-Manufacturer of this insurance product under the FCA's rules<sup>1</sup> (**PROD 4.2.27 – 4.2.32**), we are required to provide to distributors of this product:

- Information on the insurance product and identified target market – **Appendix 1**
- Information on the product approval process – **Appendix 2**
- Fair Value Assessment Outcome – **Appendix 3**

<sup>1</sup> The requirement to ask for the outcome of a manufacturer's fair value assessment is an obligation on the distributor (under PROD 4.3.2A & 4.3.3) and not the manufacturer. The FCA however, expects greater collaboration between manufacturers and distributors and for manufacturers to pro-actively provide this information.

# Appendix 1

## Target Market Statement

### Product Name: Individual Personal Accident Insurance

As the Co-Manufacturer of this product, we are required to provide our business partners and distributors with appropriate information about the target market. The information is intended to provide clarity around who the product is designed for, who it is not intended to support and how we expect the product to be offered to customers.

Please continue to refer to the relevant policy documentation for full details of the insurance cover as well for details of any limitations and/or exclusions.

---

#### What is this product?

This is a Personal Lines stand alone product that is suitable for sole traders and working members of the public who do not get income protection through their employer.

#### Who is the product designed for and how is it suitable to their needs?

This product is designed for individuals to help them continue to meet their financial obligations in the event they cannot work as a result of accidental bodily injury. It can provide a financial benefit for individuals who are seeking insurance protection against unexpected accidents and covers lump sums and weekly benefits.

#### Who is this product not designed or suitable for?

This product is not suitable for purchase by Commercial entities as defined by the FCA.

#### Is this product sold on an advised or non-advised basis?

This product can be sold both on an advised and non-advised basis, in line with FCA regulations.

#### How can this product be sold?

The channels of distribution for this product is via insurance intermediaries, based on their closeness to the target market and as a result of their understanding of the customer's needs. The product can be sold face to face, via email or telephone.

#### Document Review

We will review this Target Market Statement on an annual basis to ensure it remains appropriate and in line with the objectives and needs of the Target Market.

**Please note that this document is not intended to be provided to operational staff or to customers and should be read in conjunction with the appropriate policy documentation.**

# Appendix 2

## Product Approval Information

Our products and services are designed, marketed, priced and sold to meet the needs and provide value to their defined target market. Regular product reviews are undertaken to ensure that our products and services continue to provide good customer outcomes at each stage of the customer journey.

New products and existing products are subject to a robust risk assessment, approval, review, testing and oversight process. Conduct risk is also assessed if a product is terminated.

### Product Risk Assessment & Approval, Testing and Ongoing Product Review

All our products go through an initial risk assessment to determine the inherent conduct risk. The risk rating assigned will ensure that the product is subject to an appropriate level of due diligence as well as relevant product design, development and target market determination questions that are commensurate with its risk rating. The risk assessment will also ensure that the control framework and the appropriate level of MI is being produced for ongoing testing.

Regular MI is assessed against risk appetite thresholds which are set by the relevant business owners. If there are irregularities in the MI and/or the risk appetite thresholds are breached, it may prompt a review of the product to ascertain whether it continues to provide value for its defined target market.

# Appendix 3

## Value Assessment Outcome

Following the completion of our product review process, we are comfortable that the Individual Personal Accident product remains suitable for the target market and that it provides fair value.

*In reaching this conclusion, we have considered:*

### Total Price paid By The Customer

Ortus Underwriting have assessed the premium levels paid by Consumers and view them as fair and reasonable for the coverage provided.

### Product Value Over Time

There is no evidence that value of the product diminishes over time.

### Loss Ratio

We assess the loss ratio against the following metrics to decide if it is an acceptable indicator of value:-

FVA Metric	Red	Amber	Green	Description
Loss Ratio	<20%	20% - 40%	>40%	Claims against premium less distributor remuneration

The loss ratio is currently within the Amber banding. We consider this acceptable to the value of the product given the combination of both weekly and lump sum benefits provided under the policy. The lump sum benefit claims are typically low frequency but relatively (to premium) high severity claims.

### Claims Acceptance Rate

The claims acceptance rate for this product is 75%.

### Claims Frequency

The claims frequency for this product is 1.3%.

### Average Claims Pay-out

Based on data from 01/01/2023 – 30/11/2025, the average claim pay-out for this product is £3,303.

### Claims Complaints as % of Claims

Claims related complaints for the period of our review stand at 10.7% of the claims made. This percentage reflects the low volume of claims made over the period.

### Remuneration and Justification of Services Provided

Based on the costs associated with the sales and distribution model for this product, as well as those associated with ongoing policy administration, we consider that the agreed levels of remuneration are justified. Our standard remuneration paid to distributors is 25%, but may be determined on a specific risk and/or account basis.

## Post Review Actions and Recommendations

- Customer communications:** review customer communications, specifically the website(s) content, application forms and sales literature, to ensure that all content related to the product is clear, fair and not misleading.
- Claims Frequency:** Ortus Underwriting to conduct regular monitoring of this metric to ensure that it remains within appetite.
- Root Cause Analysis:** work to obtain understanding of the root cause of any complaints.

**Ortus Underwriting**  
**Registered Office: 15 Westferry Circus, London, E14 4HD**

**Company Number: 08142321**

**email: [ah-enquiries@ortusunderwriting.com](mailto:ah-enquiries@ortusunderwriting.com)**

**Version control number ORTUS FVA IPA 2026V1 (01/26)**